

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED

JUN 07 2012

FORM APPROVED
OMB No 1004-0135
Expires July 31, 1996

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No
NMNM127452

6. Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No
DIST. 3

9. API Well No.
FEDERAL 21-8-13 #4

30-045-34360

10. Field and Pool, or Exploratory Area
Basin Fruitland Coal

11. County or Parish, State
San Juan County, NM

RCVD JUN 11 '12
OIL CONS. DIV.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
SG INTERESTS I LTD, c/o Nika Energy Operating, LLC

3a. Address
PO BOX 2677, DURANGO, CO 81302

3b. Phone No. (include area code)
(970) 259-2701

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
Unit J: (NWSE) Sec13-T21N-R8W
1996' FSL, 1982' FEL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize <input type="checkbox"/> Deepen <input type="checkbox"/> Production (Start/Resume) <input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing <input type="checkbox"/> Fracture Treat <input type="checkbox"/> Reclamation <input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair <input type="checkbox"/> New Construction <input type="checkbox"/> Recomplete <input checked="" type="checkbox"/> Other
	<input type="checkbox"/> Change Plans <input type="checkbox"/> Plug and Abandon <input type="checkbox"/> Temporarily Abandon <input type="checkbox"/> Completion Update
	<input type="checkbox"/> Convert to Injection <input type="checkbox"/> Plug Back <input type="checkbox"/> Water Disposal

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once Testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

(See Sundry Notice dated 8/30/2007). (TD reached 8/18/2007). MIRU 4/20/12. Run 2000 psi test on BOP & csg for 30 min, OK. TIH w/ 3-7/8" bit, bit sub, csg scraper, two 3-1/8" DC and 24 jts new 2-3/8" tbg to plug at 842' KB. Circ hole clean. Run GR/CCL/CBL logs from PBDT 836' KB to surface. Perf FT Coals w/ 3-1/8" csg gun, 4 spf, 120 degree phasing, shot intervals 450-480' KB, total 120 holes.

Acidize and frac as follows: Pumped 500 gal 15% acid, pumped 47,183 gal 11CP Delta w/SWAT frac fluid; pumped 1050.8 sx 20/40 PR w/max BH sand concentration of 5.0 lb/gal. Pumped coated 1046 sx 20/40 PR w/SW Max @ concentration of 2.4 gal/mlbs starting at the #1 treatment sand stage, pumped 2,491 gal wtr frac G and 40,399 gal of Delta 140. Avrg rate 23.2 BPM @ 392 psi. Run in hole & clean out to PBDT (842' KB). RU & swab well. TIH w/tail jt, new SN, 16 jts new 2-3/8" tbg, landed tbg @ 555.15' KB, SN @ 522.70' KB. TIH w/ new 2 X 1-1/2 X 12' gas buster pump, new no-tap tool, four 1-1/4" sinker bars, 3/4" new guided rods w/5 guides per rod and new sprayed metal rod boxes, one 6' and 2-pony rods, new polish rod. RDMOSU 5/21/12.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed) William (Tripp) Schwab, III	Title Agent for SG Interests I Ltd
Signature 	Date June 1, 2012

THIS SPACE FOR FEDERAL OR STATE USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

JUN 08 2012

NMOCD
Ar

FARMINGTON FIELD OFFICE
BY